

Message Text

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PAGE 01 STATE 047976
ORIGIN EB-08

INFO OCT-01 EA-10 ISO-00 CIAE-00 COME-00 DODE-00
DOTE-00 FMC-01 INR-10 NSAE-00 CG-00 DLOS-09
OES-07 L-03 /049 R

DRAFTED BY EB/TRA/MA:CTAYLOR, JR.:PJP
APPROVED BY EB/TRA/MA:RKBANK
EA/TIMBS:ECHEKY
MARAD:TCHRISTENSEN

-----016942 250703Z /21

R 240343Z FEB 78
FM SECSTATE WASHDC
TO AMEMBASSY JAKARTA
INFO AMCONSUL MEDAN
AMCONSUL SURABAYA

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E.O. 11652: N/A

TAGS: EWWT, ID

SUBJECT; REPORTED GOI AGENCY REQUIREMENT FOR FOREIGN
SHIPPING LINES

1. U.S. SHIPPING LINE (LYKES) HAS EXPRESSED CONCERN TO
DEPARTMENT OVER REPORTED INDONESIAN GOVERNMENT DECREE
REQUIRING ALL FOREIGN SHIPPING LINES TO USE INDONESIAN
SHIPPING LINES AS THEIR AGENTS IN INDONESIAN PORTS.
LYKES COMPLAINS THAT THIS REQUIREMENT FORCES U.S.-FLAG
LINES TO USE THE VERY LIMITED AGENCY SERVICES WHICH
INDONESIAN LINES CAN OFFER. FURTHERMORE, LYKES BELIEVES
THAT THE REQUIREMENT HAS ADVERSE COMPETITIVE EFFECT ON
U.S. LINES, SINCE INDONESIAN LINES THEY MUST USE AS
AGENTS ARE IN DIRECT COMPETITION WITH U.S. CARRIERS ON
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CERTAIN ROUTES.

2. ACTION REQUESTED. EMBASSY REQUESTED TO CONFIRM
EXISTENCE AND SUBSTANCE OF DECREE CITED BY LYKES. IF
OBTAINABLE, PLEASE POUCH COPY OF DECREE TO DEPARTMENT
(EB/TRA/MA). DEPARTMENT WOULD ALSO APPRECIATE EMBASSY'S
ASSESSMENT OF PRACTICAL EFFECT OF THIS GOI REQUIREMENT

ON U.S. OPERATORS, INCLUDING DEGREE OF COMPETITIVE
ADVANTAGE IT GIVES TO INDONESIAN LINES. IN PARTICULAR,
DEPARTMENT WOULD LIKE TO KNOW WHETHER GOI DECREE, AS

IMPLEMENTED, EFFECTIVELY PREVENTS INDEPENDENT ACTIVITY BY
OWNERS' REPRESENTATIVES OF FOREIGN LINES OR WHETHER
AGENCY REQUIREMENT IS A NOMINAL ONE WHICH ALLOWS OWNERS'
REPRESENTATIVES FREEDOM TO SOLICIT BUSINESS ON THEIR OWN.
IF NOT, DOES DECREE, IN EMBASSY'S VIEW, PERMIT ANY TYPE
OF RESTRUCTURING OF SALES ACTIVITIES WHICH WOULD ENABLE
SHIPPING LINES TO CONTINUE TO EXERCISE SUBSTANTIAL
INFLUENCE OVER SOLICITATION OF CARGO. DEPARTMENT WOULD
BE GRATEFUL FOR ANY COMMENTS CONSULATES CAN PROVIDE.

3. IN ANY CONVERSATIONS WITH GOI OFFICIALS OR LOCAL
BUSINESSMEN, EMBASSY SHOULD NOT CITE LYKES AS SOURCE OF
INQUIRY. VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MARINE TRANSPORTATION, POLICIES
Control Number: n/a
Copy: SINGLE
Draft Date: 24 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE047976
Document Source: CORE
Document Unique ID: 00
Drafter: CTAYLOR, JR.:PJP
Enclosure: n/a
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Expiration:
Film Number: D780087-0700
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780215/aaaaamml.tel
Line Count: 79
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 50b838d0-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 11 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3483612
Secure: OPEN
Status: NATIVE
Subject: ; REPORTED GOI AGENCY REQUIREMENT FOR FOREIGN SHIPPING LINES
TAGS: EWWT, ID
To: JAKARTA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/50b838d0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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